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COMMITTEE ON THE BUDGET  
MAJORITY CAUCUS  
U.S. House of Representatives  
106th Congress — Washington, DC

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# HOW CLINTON SPENDS THE SURPLUS:

## SELECTED NEW AND INCREASED INITIATIVES IN THE PRESIDENT'S FY2001 BUDGET

NEW INITIATIVES	84
SIGNIFICANTLY INCREASED PROGRAMS	160
<b>TOTAL</b>	<b>244</b>

### BUDGET AUTHORITY (dollars in millions)

PROPOSAL	Disc/ Mand. **	COST		INCREASE FROM FY00	
		2001	5 YEAR	1 YEAR	5 YEAR

#### DEFENSE

Overall defense discretionary program increases. Includes the following initiatives:	INC D	305,400		15,500	
Increase defense procurement.	INC D	60,000		4,600	
Increase national missile defense, mainly expanding an arsenal of interceptor rockets to be based in Alaska or ND.	INC D			200	2,200
Increase housing allowances for military members who live off base. The proposed increase would reduce from 18.8 to 15 percent the average amount of rent that military members pay out of pocket.	INC D			165	3,000
Increase funding for cleanup and health testing at DOE defense facilities in Paducah, KY and Portsmouth, OH.	INC D			120	

#### FOREIGN AID/INTERNATIONAL AFFAIRS

Overall foreign aid discretionary program increases. Includes the following initiatives:	INC D			2,700	
Increase funding for worldwide security upgrades.	INC D	1,060		490	
Expand existing counter-narcotics, economic development, human rights support, and coca crop eradication programs for Colombia. The proposal includes a \$954 million FY 2000 supplemental package.	INC D	468		318	
Increase international peacekeeping activities.	INC D	739		241	
Increase Sustainable Development funding.	INC D	2,140		242	
Create a new program for children orphaned by AIDS.	NEW D	10		10	
Create an initiative to prevent the spread of HIV within African militaries.	NEW D	10		10	
Design a workplace program to reduce discrimination against employees infected with HIV and AIDS.	NEW D	10		10	

**BUDGET AUTHORITY (dollars in millions)**

PROPOSAL	Disc/ Mand. **	COST		INCREASE FROM FY00	
		2001	5 YEAR	1 YEAR	5 YEAR
Increase funding for HIV and AIDS in Africa and Asia. Total AIDS initiative would cost \$325 million in FY 2001.	INC D			70	
Purchase vaccines for developing countries by contributing to the Global Fund for Children's Vaccines, a fund administered by the Global Alliance for Vaccines and Immunizations.	INC D			50	
Increase international family planning spending, a program run by USAID that predominately involves the distribution of contraceptives.	INC D	555		169	
Fund "greening the globe" initiative.	NEW D	100		100	
Increase contributions to international financial institutions.	INC D	1,350		244	
Fund the Global Environment Facility.	INC D	176		140	
Fund the International Development Association.	INC D	836		65	
Fund the Asian Development Fund.	INC D	125		48	
Support debt restructuring.	INC D	262		139	
Increase "debt for nature" funding.	NEW D	37		37	
Increase export assistance.	INC D	844		208	

**SCIENCE/TECHNOLOGY**

Fund NASA's space launch initiative (Reusable Launch Vehicle) development subsidies.	INC D			235	
Increase NASA's space science funding, including the Mars Surveyor program and a new Living With a Star initiative.	INC D	2,399		206	
Increase funding for a national nanotechnology initiative.	INC D	497		227	
Increase NSF funding.	INC D	4,575		675	
Support tribal colleges' information technology and other technical training programs.	INC D	10		10	
Increase information technology funding in:					
NSF	INC D	740		223	
DOD	INC D	350		126	
DOE	INC D	667		150	
NASA	INC D	230		56	
HHS	INC D	233		42	
Commerce	INC D	44		8	
Increase funding for spallation neutron source.	INC D	281		163	

**BUDGET AUTHORITY (dollars in millions)**

PROPOSAL	Disc/ Mand. **	COST		INCREASE FROM FY00	
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**ENVIRONMENTAL/NATURAL RESOURCES**

Create EPA Great Lakes Initiative grants to states and localities to clean up contaminated sediments, control stormwater, restore wetlands, acquire greenways, and control runoff.	NEW D	50		50	
Introduce a Lands Legacy Initiative that will be a permanent and protected source of funding for Federal land acquisition.	INC D	1,400		673	
Provide grants to States for land acquisition.	NEW D	150		150	
Provide coastal impact assistance grants.	NEW D	100		100	
Increase Climate Change budget:					
Fund a Clean Air Partnership Fund.	NEW D	85		85	
Provide DOE biomass R&D subsidies.	INC D	174		49	
Increase funding for Clean Water Action Plan.	INC D	2,400		428	
Increase funding for global research.	INC D	1,701		39	
Provide weatherization subsidies.	INC D	154		19	
Increase funding for Climate Change Technology Initiative.	INC D	1,432		333	
Increase Fish and Wildlife Service funding for wetlands conservation.	INC D	30		15	
Build a visitors center, an interpretive center and acquire land to preserve several WWII Japanese-American internment camps in the West.	NEW D	5		5	

**AGRICULTURE**

Expand Biomass subsidies:					
Increase USDA biomass R&D.	INC D	115		44	
Provide CCC payments to ethanol producers.	INC M			150	
Expand Farm income payments and support:					
Create a Supplemental Income Assistance Program [SIAP], which would trigger payments when farm revenue falls below 92% of the five year average.	NEW M	2,400		2,400	
Freeze market loan rate.	INC M			500	
Extend dairy price supports.	INC M			150	
Expand crop insurance/risk management:					
Continue premium discounts.	INC M			640	
Provide multi-year coverage.	NEW M	100		100	
Create a livestock coverage pilot program to provide monies to form livestock and processing coops.	NEW M	100		100	

**BUDGET AUTHORITY (dollars in millions)**

PROPOSAL	Disc/ Mand. **	COST		INCREASE FROM FY00	
		2001	5 YEAR	1 YEAR	5 YEAR
Expand natural disaster coverage.	INC M			110	
Support risk management education and R&D.	INC M			70	
Increase farm conservation and environmental spending:					
Create a Conservation Security Program - income payments to farmers who engage in "voluntary" environmental efforts.	NEW M	600		600	
Raise wetlands reserve program acre cap.	INC M	371		213	
Raise conservation reserve program acre cap.	INC M	205		125	
Increase environmental quality incentives program.	INC M	325		125	
Farmland protection program.	INC M			65	
Wildlife habitat incentives program.	INC M			50	
Provide other technical farm environmental assistance.	INC M			110	
Increase funding for food inspection, research and risk-assessment programs.	INC D	422		68	
<b>COMMERCE/INFORMATION TECHNOLOGY</b>					
Provide subsidized banking services in low income areas.					
Encourage the creation of low-cost bank accounts, increase access to ATMs, and enhance financial education	NEW D	30		30	
Increase cyber security funding:	INC D	2,030		280	
Create an institute for information infrastructure protection.	NEW D	50		50	
Provide internet subsidies:					
Provide Commerce Department National Telecommunications and Information Administration [NTIA] grants to public/private partnerships to expand home access to computers and the Internet.	NEW D	50		50	
Increase funding for NTIA information infrastructure grants (Technology Opportunities Program).	INC D	45		30	
Accelerate the private sector deployment of broadband networks in under-served communities through the Economic Development Administration [EDA] and USDA grants.	NEW D	25		25	
<b>TRANSPORTATION</b>					
Increase FAA funding.	INC D	11,222		1,281	
Increase Coast Guard funding.	INC D	4,609		571	
Increase Amtrak funding by creating a new capital grant program for high speed rail funded out of the highway trust fund.	NEW D	468		468	

**BUDGET AUTHORITY (dollars in millions)**

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**COMMUNITY DEVELOPMENT**

Increase funding for America's Private Investment Companies [APICs].	INC D	37		17	
Increase funding for the Bureau of Indian Affairs.	INC D			1,200	
Increase Community Development Block Grants [CDBG].	INC D	4,900		119	
Fund a Tribal Colleges program setaside.	NEW D	5		5	
Fund a Mississippi Delta program setaside.	NEW D	22		22	
Fund a Faith Based Program setaside.	NEW D	20		20	
Create a new New Markets University Partnership program.	NEW D	5		5	
Fund Brownfields funding.	INC D	50		25	
Increase funding for Urban Empowerment Zones.	INC M	150		95	
Create a Regional Connections program.	NEW D	25		25	

**EDUCATION**

Overall Department of Education discretionary program increases. Includes the following initiatives:	INC D	40,095		4,490	
Fund school construction and renovation loans and grants.	NEW D	1,300		1,300	
Increase spending on Clinton's teacher hiring mandate (Class Size Reduction).	INC D	1,750		450	
Increase funding for summer and after school programs (21st Century Learning Centers).	INC D	1,000		547	
Introduce new Federal teacher development programs:		1,000		276	
Provide State teacher grants with Title VI and Eisenhower Professional Development funding.	NEW D	690			
Send teachers to schools in low-income areas.	NEW D	50		50	
Fund grants to school districts that have reduced number of uncertified teachers.	NEW D	50		50	
Fund high-poverty school districts' efforts to recruit local teachers.	NEW D	75		75	
Recruit mid-career professionals to become teachers.	NEW D	25		25	
Create an Early Childhood Educator Professional Development grants.	NEW D	30		30	
Fund partnerships to recruit and prepare school administrators.	NEW D	40		40	
Fund Federal teacher and school leadership improvement programs.	NEW D	25		25	
Provide grants to create smaller high schools.	NEW D	120		120	

**BUDGET AUTHORITY (dollars in millions)**

PROPOSAL	Disc/ Mand. **	COST		INCREASE FROM FY00	
		2001	5 YEAR	1 YEAR	5 YEAR
Create a Next-Generation technology innovation program by combining Technology Innovation Challenge Grants and Start School programs.	NEW D	170		170	
Fund a telecommunications program for professional development.	NEW D	5		5	
Fund a recognition and reward program for States that demonstrate statewide gains in student achievement.	NEW D	50		50	
Fund Project SERV to assist communities affected by violence.	NEW D	10		10	
Fund opportunities to improve our Nation's schools [OPTIONS], a public school choice program.	NEW D	20		20	
Provide technical assistance capacity grants to high poverty districts.	NEW D	38		38	
Fund national test development.	NEW D	5		5	
Create a dual degree program allowing minority students to receive both degrees in five years - one from a minority-serving institution and one from a partner institution in a field in which minorities are under-represented.	NEW D	40		40	
Increase funding for TRIO programs, which prepare needy students for college.	INC D	725		80	
Create a TRIO College Completion Challenge Grant program for post-secondary minority drop-outs.	NEW D	35		35	
Create one research, development and dissemination program by consolidating regional educational laboratories, national dissemination activities and national education research institutes.	NEW D	199		30	
Increase Title I grants to LEAs.	INC D	8,358		416	
Increase funding for Title I accountability grants.	INC D	250		116	
Increase funding for teacher technology training	INC D	150		75	
Increase Community Technology Center funding.	INC D	100		68	
Increase funding for charter schools.	INC D	175		30	
Expand multi-agency youth school violence program grants.	INC D	247		100	
Increase GEAR UP, a Clinton program almost identical to TRIO.	INC D	325		125	
Increase Pell Grant funding, increasing the maximum grant from \$3,300 to \$3,500.	INC D	8,356		716	
Increase funding for Supplemental Education Opportunity Grant [SEOG], a program that supplements student aid received from other sources.	INC D	691		60	

**BUDGET AUTHORITY (dollars in millions)**

PROPOSAL	Disc/ Mand. **	COST		INCREASE FROM FY00	
		2001	5 YEAR	1 YEAR	5 YEAR
EMPLOYMENT/RETIREMENT					
Introduce Retirement Savings Accounts, new Federal subsidies for worker retirement (\$54 billion over 10 years).	NEW M	0	9,166	0	9,166
Expand the Corporation for National Service [CNS] programs:	NEW D	850		120	
Create an AmeriCorps reserves program.	NEW D	5		5	
Award "community coach" grants.	NEW D	5		5	
Fund Youth Empowerment Grants.	NEW D	3		3	
Fund America's Promise: the Alliance for Youth.	NEW D	8		8	
Increase AmeriCorps funding, expanding the program to 100,000 by the year 2004.	INC D			73	
Expand funds for senior service.	INC D			10	
Increase the Labor Department's efforts to increase women's pay.	INC D			17	
Increase Trade Adjustment Assistance.	INC M	454		31	459
Increase the Federal Work Study program.	INC D	1,011		77	
Expand Youth Opportunity Grants for employment and training assistance to out-of-school young people in high poverty areas.	INC D	375		125	
Increase Youth Training Formula Grants.	INC D	1,022		25	
Expand Youthbuild, a program providing 16-24 year old high school dropouts with education and employment training.	INC D	75		33	
Expand Job Corps, a residential education and job training program.	INC D	1,392		33	
CHILD CARE					
Create an Early Learning Fund to improve child care quality.	NEW M	600		600	2,802
Increase Head Start funding.	INC D	6,267		1,000	
Provide refundable, expanded Child and Dependent Care Tax Credits (\$30 billion over 10 years).	NEW M	121	4,563	121	4,563
HEALTH					
Expand Medicare:					
Add a prescription drug benefit to Medicare.	NEW M		22,000		22,000
Establish a Medicare buy-in option for people as young as 55.	NEW M	1,000	18,000	1,000	18,000
Increase anti-fraud measures.	INC D	1,292		48	
Add cancer clinical trials.	NEW M	250	750	250	750
Expand Health Insurance for the Uninsured/Medicaid/S-CHIP:					
Accelerate Medicaid/S-CHIP enrollment of children, etc.	INC M	400	4,900	400	4,900

**BUDGET AUTHORITY (dollars in millions)**

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		2001	5 YEAR	1 YEAR	5 YEAR
Allow sites, such as child care referral centers, to immediately enroll low-income, uninsured children before their applications are formally processed.	INC M				
Fund new efforts to find and enroll uninsured.	INC M				
Require states to make their Medicaid enrollment documentation requirements as minimal as that used in the State Children's Health Insurance Program [S-CHIP].	INC M				
Make transitional Medicaid permanent.	INC M				
Create a family coverage Medicaid/S-CHIP initiative.	NEW M	800	13,800	800	13,800
Expand eligibility to S-CHIP parents.	NEW M				
Subsidize private employer-based insurance to S-CHIP parents.	NEW M				
Expand Medicaid to cover children through age 20 and extend the same option to S-CHIP.	NEW M	114	650	114	650
Provide Medicaid/S-CHIP benefits for legal immigrant children, pregnant women and the disabled.	NEW M	100	1,200	100	1,200
Include legal immigrants in Medicaid and S-CHIP.	NEW M				
Provide coordination of Federal health programs for uninsured.	INC D	125		100	1,000
Expand Medicaid coverage for cervical and breast cancer.	NEW M	15	220	15	220
Increase Long-Term Care funding:					
Provide a long-term health care initiative:	NEW M	240	1,200	240	1,200
Provide funding for services which support caregivers of older people.	NEW M				
Encourage use of home and community-based services under Medicaid.	NEW M				
Encourage partnerships between low-income housing for the elderly and Medicaid.	NEW M				
Encourage Federal employees to purchase private long-term care insurance.	NEW M				
Increase Veterans funding:					
Add to veterans' medical care spending.	INC D	20,890		1,364	
Increase other veterans' funding.	INC D			148	
Increase Discretionary Health funding:					
Increase NIH funding by \$1 billion.	INC D	18,853		1,020	
Increase FDA funding.	INC D	1,389		163	



**BUDGET AUTHORITY (dollars in millions)**

PROPOSAL	Disc/ Mand. **	COST		INCREASE FROM FY00	
		2001	5 YEAR	1 YEAR	5 YEAR
Fund FDA enforcement of laws designed to prevent youth under 18 from smoking.	NEW D	39		39	
Develop a rapid response team and upgrade FDA's computer technology to identify, investigate and prosecute internet websites selling prescription drugs without a valid prescription, unapproved new drugs, counterfeit drugs and expired or illegally diverted pharmaceuticals.	NEW D	10		10	
Fund CDC anti-smoking programs.	INC D	103		5	
Increase funding for the CDC Environmental Health Lab's study of areas with a high incidence of cancer.	INC D	75		27	
Increase CDC funding in order to create an electronic infectious disease surveillance network.	INC D	107		20	
Increase CDC AIDS/HIV funding.	INC D	795		100	
Increase Ryan White AIDS program funding.	INC D	1,720		125	
Increase family planning and reproductive health care grants.	INC D	274		35	
Increase Community Health Centers funding.	INC D	1,069		50	
Provide more nursing home inspections.	INC D	70		16	
Increase Mental Health services spending.	INC D	731		100	
Increase Indian Health Spending.	INC D	2,883		230	
Increase Substance Abuse funding.	INC D	1,631		82	
Increase Agency for Healthcare Research and Quality funding.	INC D	261		51	

**WELFARE**

Provide child support enforcement incentives:

Improve State option on child support distribution.	INC M			49	396
Provide additional Federal match on child support pass-through.	INC M			23	97
Create additional grants to help fathers pay child support.	NEW D	125		125	
Create new welfare grant program to help families avoid welfare dependence.	NEW D	130		130	
Restore SSI disability benefits to aliens entering the U.S. after welfare reform.	INC M			23	707
Expand the Earned Income Credit:	INC M	32,708		2,308	11,487
Increase the maximum credit for families with three or more children by \$500 to \$4,491.	INC M				

**BUDGET AUTHORITY (dollars in millions)**

PROPOSAL	Disc/ Mand. **	COST		INCREASE FROM FY00	
		2001	5 YEAR	1 YEAR	5 YEAR
Reduce the "marriage penalty" aspect of the credit by raising the income level at which the credit begins to phase out for married workers claiming the credit from the current \$13,030 to \$14,480.	INC M				
Reduce the phaseout rate for families with more than two children from 21 percent to 19 percent, thus increasing the maximum income level of persons who receive the credit.	INC M				
Exempt income deposited in IRA or 401(k) accounts for purposes of phasing out the credit.	INC M				
Extend Welfare-to-Work grants an additional two years.	INC M			100	
Increase food stamps:					
Restore food stamps for legal aliens.	INC M			25	565
Allow States to apply TANF vehicle allowance to food stamps.	INC M			1	661
Conform food stamps and Medicaid income definition.	INC M			5	25
Increase miscellaneous food and nutrition programs.	INC D			44	
Increase Title XX Social Services Block Grant.	INC M	1,775		75	
Increase WIC participation by 100,000.	INC D	4,148		116	
<b>HOUSING</b>					
Issue 120,000 new housing vouchers (incrementals), thereby increasing the 1.4 million Section 8 housing vouchers used by low income tenants.	INC D	690		690	
Provide Homeless Vouchers setaside incrementals.	NEW D	105		105	
Provide Welfare to Work setaside incrementals.	NEW D	183		183	
Renew expiring Section 8 housing contracts	INC D	14,268		2,370	
Increase Tenant Protection Vouchers funding.	INC D	266		70	
Increase Contract Administration funding.	INC D	209		15	
Create a Voucher Success Fund.	NEW D	50		50	
Create a Housing Production Fund.	NEW D	58		58	
Increase Drug Elimination Grants.	INC D	345		35	
Provide a Community Gun Safety and Violence Reduction.	NEW D	30		30	
Increase funding for HOPE VI (Revitalization of Distressed Housing).	INC D	625		50	
Increase funding for Indian Housing Block Grant Funds.	INC D	650		30	
Create an Indian Homeownership Intermediary Initiative.	NEW D	5		5	

**BUDGET AUTHORITY (dollars in millions)**

PROPOSAL	Disc/ Mand. **	COST		INCREASE FROM FY00	
		2001	5 YEAR	1 YEAR	5 YEAR
Increase Public Housing Capital Fund.	INC D	2,955		86	
Create a Capital Financing Demonstration project.	NEW D	1		1	
Create ROSS.	NEW D	55		55	
Increase Housing for Special Populations (Elderly/Disabled).	INC D	989		78	
Create an Assisted Living setaside.	NEW D	50		50	
Create a new Intergenerational Learning Center program.	NEW D	4		4	
Increase Public Housing Operating Fund.	INC D	3,192		54	
Increase HOME Investment Partnerships.	INC D	1,650		50	
Increase HOPWA.	INC D	260		28	
Increase Homeless Assistance Grants.	INC D	1,200		75	
Increase Fair Housing funding.	INC D	50		6	
Create a Fair Housing Training Academy.	NEW D	1		1	
Increase Lead Hazard Reduction.	INC D	120		40	
Increase Policy Development and Research.	INC D	62		17	
Increase Management and Administration.	INC D	649		108	
<b>CRIME AND DRUGS</b>					
Increase COPS funding:					
Increase Public Safety and Community Policing funding.	INC D	650		231	
Fund new COPS recruiting and training initiatives.	INC D			30	
Increase grants for State and local governments to hire 300 local prosecutors.	NEW D			50	
Increase funding for crime-fighting technologies.	INC D	350		185	
Increase school safety funding.	INC D	70		35	
Introduce gun control initiative:					
Increase grants for State and local governments to hire 1,000 new community prosecutors.	INC D			150	
Hire 113 new Federal prosecutors to increase firearms prosecutions.	INC D			15	
Increase ballistics testing to create a National Integrated Ballistics Information Network.	INC D			41	
Increase smart-gun technology research.	INC D			10	

PROPOSAL	Disc/ Mand. **	COST		INCREASE FROM FY00	
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Provide matching grants for local media campaigns on gun violence and gun safety	INC D			10	
Fund State and local grants for weapons destruction programs.	INC D			10	
Expand the Partnerships to Reduce Juvenile Gun Violence Initiatives.	INC D			10	
Increase funding for the Civil Rights Division of the Justice Department.	INC D	99		16	
Increase civil rights funding for the Equal Employment Opportunity Commission.	INC D	332		50	
Increase EEOC funding to fight wage discrimination.	INC D			10	
Fund an initiative to combat cyber crime.	NEW D	37		37	
Increase funding for immigration activities.	INC D			493	
Increase funding for modifications of telecommunications.	INC D			358	
Increase funding for counter-terrorism and counter-intelligence.	INC D			120	
Increase funding for drug testing, treatment and punishment of prisoners, parolees, and probationers.	INC D	215		171	
<b>FEDERAL EMPLOYEES</b>					
Repeal the higher contribution rates Federal employees have paid toward their retirement as part of BBA. Reduces employee contributions to the retirement fund by \$1.2 billion from FY 2001 to 2003.	INC M			427	1,206
Increase Federal pay by 3.7 percent starting in January 2001.	INC D			3,100	
Allow newly hired or rehired employees to participate immediately in the Thrift Savings Plan.	INC D			1	14
<b>AMOUNT OF SURPLUS SPENT BY CLINTON</b>				<b>56,773</b>	

\* Disc./Mand. Column --

INC D	Increase to existing discretionary program
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INC M Increase to existing mandatory program.